



MCB-ARIF HABIB
Savings and Investments Limited

QUARTERLY REPORT

MARCH
2020
(UNAUDITED)

Funds Under Management of
MCB-Arif Habib Savings and Investments Limited



PAKISTAN PENSION FUND

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FUND'S INFORMATION

Management Company	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Nasim Beg Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Kashif A. Habib Mirza Qamar Beg Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Vice Chairman Chief Executive Officer Director Director Director Director Director
Audit Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Mr. Kashif A. Habib Syed Savail Meekal Hussain	Chairman Member Member Member Member
Human Resource & Remuneration Committee	Mirza Qamar Beg Mr. Nasim Beg Mr. Ahmed Jahangir Syed Savail Meekal Hussain Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	Zari Taraqiati Bank Limited Habib Metropolitan Bank Limited Bank Al Falah Limited Allied Bank Limited National Bank Pakistan Askari Bank Limited JS Bank Limited MCB Islami Bank Limited Faysal Bank Limited	
Auditors	Ernst & Young Ford Rhodes Chartered Accountants Progressive Plaza, Beaumont Road, P.O.Box 15541 Karachi, Sindh-75530, Pakistan.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM2++ Asset Manager Rating assigned by PACRA	

REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE NINE MONTHS ENDED MARCH 31, 2020

Dear Investor,

On behalf of the Board of Directors, we are pleased to present **Pakistan Pension Fund** accounts review for the quarter ended March 31, 2020.

ECONOMY AND MONEY MARKET OVERVIEW

The third quarter of FY20 was full of gloom and doom, after the Coronavirus (Covid-19) outbreak wreaked havoc on the global economy. Global cases topped 1.5 million, while more than 80,000 people became the morsel of death as the fatal outbreak continued to spread throughout the world. While China took stringent measures to rein in the coronavirus, the other part of the globe especially EU and US was hit hard by the pandemic. On the flip side, the number of cases on the domestic side still dwarfed the developed world (~4,500 cases as of now), however, the situation was still uncertain as of now. The country has also been forced into a semi lockdown, which has affected the domestic businesses.

The outlook on GDP growth ranged from 2.4%-3.0% according to various institutions, prior to Covid-19 outbreak. However, as of late, the outbreak of COVID-19 has created uncertainty relative to trajectory of the GDP growth going forward. The weak production outlook of major crops (Cotton, Wheat and Sugar) along with a lower industrial growth arising out of weaker than expected LSM growth is expected to take a dent on the overall growth. Large Scale Manufacturing as anticipated continued on a downward trajectory as the import based consumption demand evaporated. LSM posted a decline of ~3.4% in the first seven months of FY20, with most of the decline emanating from petroleum production and cyclical sectors.

Lagged impacts of policy action in terms of monetary tightening and exchange rate adjustments continued to bear fruits as reflected in improvement in Balance of Payments position. The current account deficit in the first eight months of this year contracted by ~70% on Year on Year basis to USD 2.8 billion. Imports of goods and services continued to decline as it compressed by ~15% while exports have started to inch up registering increase of ~3.2% in first eight months of FY20. Remittances provided some cushion to BoP position increasing by ~5% over the period. The country received net foreign investment in debt securities worth ~USD 3.1 billion during Jul-Feb period. However, USD 1.8 billion worth of sovereign debt was divested in the month of March. The foreign exchange reserves increased by USD 2.9 billion from Jul-Mar FY20 supported by flows from IMF, multilateral institutions and foreign portfolio investors along with a curtailed current account deficit.

FBR has collected provisional taxes of PKR 3,050 billion during the first nine months of this fiscal year. Provisional tax collection prior to month of March was very encouraging, growing at a rate of 17% YoY. However, lockdown enforced during the month of March led to a shortfall of nearly PKR 100-150 billion, which weakened the overall growth to 13% in the first nine months of FY20.

Average CPI for clocked in CPI in at 11.5% YoY for the first nine months of FY20. Major hit on food inflation surfaced from a hike in the prices of perishable food items after imports from India was banned. However, the inflationary pressures have started trending downwards with inflation for March clocking in at 10.2% as lower petroleum prices along with easing food inflation put breaks on overall inflation. Nevertheless, core inflation as measured by Non Food Non Energy was still controlled and averaged 8.1% for the period.

The MPC committee in its first meeting of the month reduced the interest rate by 75 bps citing the easing outlook on inflation. During the month, another emergent meeting was called whereby the MPC decided to reduce the interest rates by a further of 150 bps following a global trend of easing by the central banks as a response to coronavirus outbreak.

During the period under review, yield curve shifted downwards owing to massive demand for longer tenor bonds as market participants drew comfort from stabilization measures and anticipated outlook of lower inflation. Alongside, participation from foreign investors at such an unprecedented scale for the first time in the local bond market brought in extra pool of liquidity pushing the yields down. The cumulative decline of 225 bps in interest rates further yields downwards in third quarter of this fiscal year. 3 Year bonds eased off by ~500 bps while the longer tenor (10Y) bonds also eased off by nearly ~450 bps during the first nine months of FY20.

REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE NINE MONTHS ENDED MARCH 31, 2020

EQUITIES MARKET OVERVIEW

As panic hit equity markets around the globe post novel coronavirus spread, KSE-100 Index was no different. The benchmark index plunged by ~28% in the third quarter of the current fiscal year, reversing all the previous gains of the fiscal year. This took the cumulative negative return of nine months of FY20 to 13.8%. Also, KSE had its worst month since the financial crisis of 2008 as the global pandemic took a toll on all risk assets. Foreigners continued to shun risk assets across the emerging market and Pakistan did not turn out to be an exception. FIPI selling during the quarter amounted to USD 130 million during the period. Individuals were the main buyers during the period taking exposure of USD 144 million in equities, while commercial banks and mutual funds turned out to be net sellers reducing their exposure by USD 48 million and USD 85 million respectively. Volumes and values traded averaged around 191 mn shares/ PKR 7.1 bn during the period.

The energy chain underperformed severely during the quarter as crude oil prices had its one of the worst month of history, after Saudi Arabia started a price war as an agreement wasn't reached between OPEC and Russia. Alongside, a weak global demand amidst the contagious virus added fuel to the fire. Oil prices touched its 18-year low during the month. E&Ps, and OMC's lost more than 40% during the quarter. Commercial banks also lost nearly 30% during the period, as central bank continued its easing policy, while foreigners continued to dump local banks as they shunned risk assets. Fertilizers and Pharmaceutical sectors outperformed the index as defensive plays remained in the radar of investors.

FUND PERFORMANCE

Debt Fund

The debt sub-fund generated an annualized return of 17.00% during the period under review. The fund's exposure in T-Bills stood at 32.7% while exposure in Cash was 31.3% towards the period end.

The Net Assets of the Fund as at March 31, 2020 stood at Rs. 589.33 million as compared to Rs. 520.53 million as at June 30, 2019 registering an increase of 13.22%.

The Net Asset Value (NAV) per unit as at March 31, 2020 was Rs. 290.41 as compared to opening NAV of Rs. 257.43 per unit as at June 30, 2019 registering an increase of Rs. 32.98 per unit.

Money Market Fund

The money market sub-fund generated a return of 12.37% during the period. The fund's exposure in T-bills increased to 51.7% while exposure in cash decreased to 39.4%.

The Net Assets of the Fund as at March 31, 2020 stood at Rs. 470.26 million as compared to Rs. 317.02 million as at June 30, 2019 registering an increase of 48.34%.

The Net Asset Value (NAV) per unit as at March 31, 2020 was Rs. 258.80 as compared to opening NAV of Rs. 236.74 per unit as at June 30, 2019 registering an increase of Rs. 22.06 per unit.

Equity Fund

The Equity sub-fund generated a return of -15.08% against the KSE-100 return of -13.78%. The sub-fund increased its overall equity exposure from 92.0% to 95.0%. Sector-wise, the sub-fund mainly held exposure in Commercial Banks and Oil & Gas Exploration sector.

The Net Assets of the Fund as at March 31, 2020 stood at Rs. 536.42 million as compared to Rs. 721.45 million as at June 30, 2019 registering a decrease of 25.65%.

The Net Asset Value (NAV) per unit as at March 31, 2020 was Rs. 367.13 as compared to opening NAV of Rs. 432.30 per unit as at June 30, 2019 registering a decrease of Rs. 65.17 per unit.

FUTURE OUTLOOK

The COVID-19 outbreak has created uncertainty related to economic numbers. Independent reports point out that Pakistan can lose up to 4.0% of GDP, if the lockdown is enforced for at least one more month. While Pakistan currently lags behind developed countries in terms of number of cases, we still await more data to have a clearer picture. Global picture also points out that with social distancing in place, things will

REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE NINE MONTHS ENDED MARCH 31, 2020

get in control over the course of next two months. If the trend continues, we expect global growth to show sign of recoveries by the third quarter. Albeit, if a second wave erupts, our optimism will not hold true. On the local side, the current data shows some light at the end of the tunnel. However, if things get out of control, Pakistan will have a more severe impact as it lacks health infrastructure along with fiscal muscles to combat the pandemic in the short run.

Government has announced fiscal stimulus worth PKR 700-800 billion to protect the vulnerable industries and segments of the society which are worst hit from the pandemic. With lower tax collection (PKR 500 billion shortfall expected from our expectation) and higher expenditures we expect fiscal deficit to fall north of 9% of GDP. We believe the government will get a waiver from IMF to meet the primary balance target this year.

Balance of Payment worries are over for now as current account deficit has adjusted to reasonable level since the policy actions taken by the central government. The plunge of international oil prices to USD 34/BBL has come as a blessing in disguise. Global slowdown would be detrimental for exports and remittances from oil producing nations would be affected due to lower oil prices. Our forecast is that CAD will settle at 2.3% of GDP for FY20 and 1.3% of GDP for FY21, assuming the global economy starts picking up from third quarter of the calendar year. Given the rise in bond yields of emerging market countries, we expect the idea of raising funds from Eurobond to be shelved. Alongside privatization flows are also expected to be deferred for next year. Furthermore, we expect portfolio flows to revert back to zero this year. To meet the shortfall in external financing, a lot would depend on whether multilateral and bilateral institutions will facilitate deferred debt payments along with extension of additional credit. We expect additional financing of USD 2 billion from IMF and multilateral institutions, while we also expect Pakistan will be able to restructure debt of USD 2.5 billion. Assuming if the scenario plays out as we are expecting, the currency should stabilize at current levels as the REER as per our estimates is undervalued by 10% at current level (PKR 167 vs USD).

CPI is expected to average ~11.1% in the current fiscal year owing to lagged impact of currency depreciation along with a rise in food inflation. The plunge in oil prices has provided much needed respite to inflationary outlook. With subdued oil prices and high base effect, we expect headline inflation to ease off in the next year and decline to an average of ~7.4%. Risk to our expectations are significant increase in international commodity prices along with more than expected adjustment in utility tariffs. Based on our outlook of inflation, we expect interest rates to ease off by 100-150 bps in the next 12 months. However, if recessionary pressures build over the course of time, we do not rule out further cuts in interest rate from our base case.

From capital market perspective, particularly equities, we await more clarity on local status of Covid-19. Equities in terms of valuations have not been as cheap as they are now, however, at the same time, the economic outlook has not been as uncertain as it is now owing to Covid-19. On the flip side, the bond market is pricing a relatively normal economic scenario, whereby it expects inflation to significantly fall and economic activities to resume in the short run after the lockout period. If that is the case, then equities as an asset class is bound to outperform all the relative asset classes in the domestic market. The risk premiums (difference between earnings yield and 10Y bonds) have moved into unseen territory. Risk premium is currently close to ~10.0% against the historical average of 0.9% and a 15-year low of 6.0% (happened in the financial crisis of 2008-09). We believe a micro view of sectors and stock will remain more important this year and investment selection should focus on companies which trade at a deep discount to their intrinsic value. Similarly, focus should also revert back to companies that are expected to exhibit stellar earnings growth over the medium term.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. On the other hand, government bonds have priced in most of the expected monetary easing expected going forward. We remain cautious at the current levels of bond yields and would continue to monitor the data points to capitalize on opportunities.

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ACKNOWLEDGMENT

The Board is thankful to the Fund's valued participants the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Muhammad Saqib Saleem
Chief Executive Officer
April 20, 2020

ڈائریکٹر رپورٹ

یہ بھی اُمید ہے کہ پاکستان 2.5 بلین ڈالر قرض کی تشکیل نو کر سکے گا۔ اگر صورتحال ہماری توقعات کے مطابق رہی تو ہمارا تخمینہ ہے کہ روپیہ موجودہ سطحوں پر مستحکم ہو جائے گا کیونکہ REER کی قدر موجودہ سطح پر ہمارے تخمینوں کے مطابق 10 فیصد کم مقرر ہوئی ہے (167 روپے بمقابلہ امریکی ڈالر)۔ موجودہ مالی سال میں صارفی قیمت کے انڈیکس (سی پی آئی) کا متوقع اوسط 11.1 فیصد ہوگا جس کا سبب روپے کی قدر کی نسبت رفتار اثر پذیری اور اشیائے خورد و نوش کی افراط زر میں اضافہ ہے۔ تیل کی قیمتوں میں چھلانگ سے افراط زر کے رجحان کو مطلوبہ مہلت حاصل ہوئی۔ تیل کی گھٹی ہوئی قیمتوں اور بلند base effect کی بنیاد پر ہمیں اُمید ہے کہ مجموعی افراط زر کا اوسط اگلے سال کم ہو کر 7.4 فیصد ہو جائے گا۔ بین الاقوامی اشیاء کی قیمتوں میں کسی منفی اضافے کے ساتھ ساتھ یوٹیلٹی کی محصولات وغیرہ میں متوقع سے زیادہ ترمیمات کے باعث ہماری توقعات غلط ثابت ہو سکتی ہیں۔ افراط زر سے متعلق ہماری پیش بینی کی بنیاد پر انٹریسٹ کی شرحوں میں اگلے بارہ ماہ میں 100 سے 150 بی پی ایس تک کی کمی کی اُمید ہے۔ تاہم اگر وقت گزرنے کے ساتھ کساد بازاری کے دباؤ میں اضافہ ہوا تو انٹریسٹ کی شرحوں میں مزید کمی بعید از قیاس نہیں ہے۔

کمپیٹل مارکیٹ خصوصاً ایکویٹیز کے معاملے میں ہم کو وڈ۔۱۹ کی مقامی صورتحال مزید واضح ہونے کے منتظر ہیں۔ ایکویٹیز اپنی قدر کے اعتبار سے جتنی سستی فی الوقت ہیں اتنی پہلے بھی نہیں تھیں، تاہم، بیک وقت، معاشی مستقبل بھی اتنا غیر یقینی پہلے بھی نہیں تھا جتنا کو وڈ۔۱۹ کی وجہ سے فی الوقت ہے۔ دوسری طرف بانڈ مارکیٹ نسبتاً معمول کے مطابق معاشی منظر پیش کر رہی ہے جس میں لاک آؤٹ مدت کے بعد مختصر میعاد میں افراط زر میں بڑی کمی اور معاشی سرگرمیوں کی بحالی کی اُمید کی جا رہی ہے۔ اگر ایسا ہی ہو تو ایکویٹیز ایک اثاثہ جاتی زمرے کی حیثیت سے مقامی مارکیٹ میں ضرورتاً دیگر اثاثہ جاتی زمروں سے کارکردگی میں سبقت لے جائیں گی۔ خطرات کے پرمیئم (منافعوں اور دس سالہ بانڈز میں فرق) نا معلوم مقام پر چلے گئے ہیں۔ موجودہ طور پر خطرات کے پرمیئم تقریباً 10.0 فیصد کے قریب ہیں جبکہ اس کا تاریخی اوسط 0.9 فیصد ہے اور گزشتہ پندرہ برسوں کی کم ترین سطح 6.0 فیصد ہے (جو 2008-09ء کے مالی بحران کے دوران دیکھی گئی تھی)۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاک کی وسیع تصویر اس سال زیادہ اہم رہے گی اور سرمایہ کاری کے انتخاب کا انحصار ایسی کمپنیوں پر ہونا چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ اسی طرح ایسی کمپنیوں کی طرف بھی توجہ دوبارہ مرکوز ہونی چاہیے جن کی درمیانی مدت کی آمدنی میں زبردست ترقی متوقع ہے۔

Debt حاملین کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ پالیسی شرحوں کی عکاسی بلا کاوٹ سال بھر جاری رکھیں گے۔ دوسری جانب حکومتی بانڈ دوران سال پہلے ہی کچھ حد تک متوقع مالیاتی تسہیل میں کردار ادا کر چکے ہیں۔ ہم بانڈز کے منافعوں کی موجودہ سطحوں کے حوالے سے محتاط ہیں اور ڈیٹا کے نکات کی نگرانی جاری رکھیں گے تاکہ مواقع سے فائدہ اٹھایا جاسکے۔

اظہار تشکر

بورڈ فنڈ کے گراں قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیوں کی مسلسل معاونت اور پشت پناہی کے لئے شکر گزار ہے۔ مزید برآں، مینجمنٹ ٹیم کی کاوشوں کو بھی ڈائریکٹر کی طرف سے خراج تحسین پیش کیا جاتا ہے۔

برائے اور من جانب بورڈ



محمد ثاقب سلیم

چیف ایگزیکٹو آفیسر

کراچی، 20 اپریل 2020ء

ڈائریکٹر رپورٹ

31 مارچ 2020ء کو فنڈ کے net اثاثہ جات 470.26 ملین روپے تھے جو 30 جون 2019ء کو 317.02 ملین روپے کے مقابلے میں 48.34 فیصد اضافہ ہے۔

31 مارچ 2020ء کو net اثاثہ جاتی قدر (این اے وی) 258.80 روپے فی یونٹ تھی جو 30 جون 2019ء کو ابتدائی این اے وی 236.74 روپے فی یونٹ کے مقابلے میں 22.06 روپے فی یونٹ اضافہ ہے۔

ایکویٹی فنڈ

ایکویٹی ذیلی فنڈ نے کراچی اسٹاک ایکسچینج KSE-100 کے 13.78 فیصد منافع کے مقابلے میں 15.08 فیصد منافع حاصل کیا۔ ذیلی فنڈ نے ایکویٹی میں مجموعی شمولیت کو 92.0 فیصد سے بڑھا کر 95.0 فیصد کر دیا۔ سیکٹر کے اعتبار سے ذیلی فنڈ نے زیادہ تر شمولیت کمرشل بینکوں اور تیل اور گیس کی دریافت کے سیکٹر میں رکھی۔

31 مارچ 2020ء کو فنڈ کے net اثاثہ جات 536.42 ملین روپے تھے جو 30 جون 2019ء کو 721.45 ملین روپے کے مقابلے میں 25.65 فیصد کمی ہے۔

31 مارچ 2020ء کو net اثاثہ جاتی قدر (این اے وی) 367.13 روپے فی یونٹ تھی جو 30 جون 2019ء کو ابتدائی این اے وی 432.30 روپے فی یونٹ کے مقابلے میں 65.17 روپے فی یونٹ کمی ہے۔

مستقبل کے امکانات

کووڈ-19 وبا کے باعث معاشی اعداد میں عدم یقینی پیدا ہو گئی ہے۔ آزاد ذرائع کی رپورٹس اشارہ کر رہی ہیں کہ اگر لاک ڈاؤن کم سے کم بھی ایک اور مہینہ نافذ رہتا ہے تو پاکستان کو جی ڈی پی کے 4 فیصد تک کا نقصان ہو سکتا ہے۔ اگرچہ پاکستان میں کورونا وائرس سے متاثرہ افراد کی تعداد تاحال ترقی یافتہ ممالک کے مقابلے میں کم ہے لیکن واضح صورتحال جاننے کے لیے مزید معلومات اور اعداد و شمار درکار ہیں۔ عالمی منظر نامے سے ظاہر ہوتا ہے کہ سماجی فاصلہ اختیار کرنے سے اگلے دو ماہ کے دوران حالات قابو میں آ سکتے ہیں۔ اگر یہ رجحان برقرار رہا تو تیسری سہ ماہی تک عالمی ترقی میں بحالی کی علامات ظاہر ہونے کے امکانات موجود ہیں۔ تاہم اگر وبا کی دوسری لہر ابھر آئی تو ہماری رجاعیت پسندی درست ثابت نہیں ہوگی۔ مقامی سطح پر موجودہ اعداد و شمار کچھ حد تک اُمید کی کرن ثابت ہو سکتے ہیں۔ لیکن اگر حالات قابو سے باہر ہو گئے تو پاکستان شدید تر متاثر ہوگا کیونکہ یہاں صحت عامہ کے شعبے کا ڈھانچہ اور مالیاتی پٹھے کمزور ہونے کے باعث مختصر مہینوں میں اس وبا کا مقابلہ کرنے کی صلاحیت کا فقدان ہے۔

حکومت نے وبا سے سب سے زیادہ متاثرہ صنعتوں اور سماجی طبقات کے تحفظ کے لیے 700 سے 800 ملین روپے مالیت کی مالی امداد کا اعلان کیا ہے۔ ٹیکس کے وصولی میں (متوقع طور پر 500 ملین روپے کی) کمی اور خرچوں میں اضافے کی بدولت اُمید کی جاسکتی ہے کہ مالیاتی خسارے میں جی ڈی پی کے 9 فیصد سے زائد کمی ہوگی۔ ہمارے اندازے کے مطابق حکومت کو آئی ایم ایف کی طرف سے سال رواں بقایا جات کا بنیادی ہدف پورا کرنے کی چھوٹ مل جائے گی۔ ادائیگی کے توازن کی پریشانیوں فی الوقت ختم ہو گئی ہیں کیونکہ کرنٹ اکاؤنٹ خسارہ مرکزی حکومت کے پالیسی اقدامات کے بعد معقول سطح تک آ گیا ہے۔ تیل کی بین الاقوامی قیمتوں کا 34 ڈالر فی بیرل تک کم ہو جانا زحمت کے بھیس میں رحمت ثابت ہوا ہے۔ عالمی سطح پر منسست روی کے برآمدات پر منفی اثرات مرتب ہوں گے اور تیل کی پست قیمتوں کے باعث تیل کی پیداوار کرنے والے ممالک سے ترسیلات زر بھی متاثر ہوں گی۔ ہماری پیش گوئی ہے کہ کرنٹ اکاؤنٹ کا خسارہ مالی سال 2019-20ء کے لیے مجموعی ملکی پیداوار کے 2.3 فیصد پر، اور مالی سال 2020-21ء کے لیے مجموعی ملکی پیداوار کے 1.3 فیصد پر آ کر رہے گا، اس مفروضے کی بنیاد پر کہ عالمی معیشت میں جولائی سے بحالی کا سلسلہ شروع ہو جائے گا۔ ابھرتی ہوئی مارکیٹوں کے ممالک میں بانڈ کے منافع جات میں اضافے کے پیش نظر ہمیں توقع ہے کہ ایورو بانڈ کے ذریعے فنڈ میں اضافے کی حکمت عملی کو فی الوقت اختیار نہیں کیا جائے گا۔ ساتھ ساتھ نجکاری سے ہونے والی آمدات متوقع طور پر اگلے سال کے لیے ملتی کر دی جائیں گی۔ مزید برآں ہمیں توقع ہے کہ پورٹ فولیو آمدات سال رواں واپس صرف تک چلی جائیں گی۔ خارجی فنانسنگ میں کمی کو پورا کرنے کے لیے بہت کچھ اس بات پر منحصر ہوگا کہ کثیر الجہتی اور دو جہتی ادارے قرضہ جات کی ملتی شدہ ادائیگیوں کی سہولت کے علاوہ اضافی قرضوں کی توسیع فراہم کر رہے ہیں یا نہیں۔ ہمیں آئی ایم ایف اور کثیر الجہتی اداروں سے 2 بلین ڈالر کی اضافی رقم کی فراہمی کی توقع ہے، جبکہ ہمیں

ڈائریکٹرز رپورٹ

بینکوں کے رجحان کی پیروی کرتے ہوئے انٹریسٹ کی شرحوں میں مزید 150 بی پی ایس کی کا فیصلہ کیا۔

زیر جائزہ مدت کے دوران طویل تر میعاد کے بانڈز کی خطیر طلب کے باعث پیداواری ختم میں جھکاؤ آیا کیونکہ مارکیٹ کے فریق استحکام کے اقدامات سے مطمئن ہوئے اور افراط زر میں کمی کا امکان پیدا ہوا۔ ساتھ ساتھ مقامی بانڈ مارکیٹ میں پہلی مرتبہ غیر ملکی سرمایہ کاروں کی اتنی بڑے پیمانے پر شرکت کی بدولت اضافی نقد آیا جس کے باعث منافعوں میں کمی ہوئی۔ موجودہ مالی سال کی تیسری سہ ماہی میں انٹریسٹ کی شرحوں میں 225 بی پی ایس کی مجموعی کمی منافعوں میں بھی مزید کمی کا باعث بنی۔ مالی سال 2019-20ء کے ابتدائی نو ماہ کے دوران تین سالہ بانڈز میں تقریباً 500 بی پی ایس جبکہ طویل تر میعاد کے (دس سالہ) بانڈز میں تقریباً 450 بی پی ایس کی کمی ہوئی۔

ایکویٹیز مارکیٹ کا مجموعی جائزہ

کورونا وائرس کی وبا پھیلنے کے بعد دنیا بھر میں ایکویٹیز مارکیٹس کو نقصان ہوا، اور کراچی اسٹاک ایکسچینج (کے ایس ای -100) کا معاملہ کچھ مختلف نہ تھا۔ انڈیکس کا یہ مقررہ معیار موجودہ مالی سال کی تیسری سہ ماہی میں تقریباً 28 فیصد گر گیا جس کے باعث مالی سال کے دوران ہونے والے تمام سابقہ منافع جات رائیگاں ہو گئے۔ اس کے نتیجے میں مالی سال 2019-20ء کے نو ماہ کا مجموعی منفی منافع 13.8 فیصد تک پہنچ گیا۔ مزید برآں، 2008ء کے مالی بحران کے بعد کے ایس ای کے لیے یہ بدترین مہینہ تھا کیونکہ عالمی وبائی خطرات پر مبنی اثاثہ جات کو زبوں حالی کا شکار کر دیا۔ غیر ملکیوں نے پوری اُبھرتی ہوئی مارکیٹ میں خطرات پر مبنی اثاثہ جات سے گریز کیا اور پاکستان اس صورتحال سے مستثنیٰ نہیں تھا۔ دوران سہ ماہی غیر ملکی سرمایہ کاروں کے دائرہ کار کی سرمایہ کاری (ایف آئی پی آئی) کی فروخت 130 ملین ڈالر کی سطح پر تھی۔ دوران سہ ماہی بنیادی خریدار افراد تھے جنہوں نے ایکویٹیز میں 48 ملین ڈالر کی سرمایہ کاری کی جبکہ کمرشل بینک اور میوچل فنڈ حتمی فروخت کار رہے جنہوں نے سرمایہ کاری میں بالترتیب 48 ملین ڈالر اور 85 ملین ڈالر کی کمی۔ دوران مدت خرید و فروخت ہونے والے حجم اور قدروں کا اوسط تقریباً 191 ملین حصص 7.1 ملین روپے تھا۔

دوران سہ ماہی توانائی کی کاروباری زنجیر میں کارکردگی شدید ناقص رہی کیونکہ خام تیل کی قیمتوں کی تاریخ کا یہ ایک بدترین مہینہ تھا۔ سعودی عرب نے قیمت کی جنگ شروع کر دی تھی کیونکہ پٹرولیم برآمد کرنے والے ممالک کی تنظیم (اوپیک) اور روس کے ساتھ معاہدہ طے نہیں پاسکا تھا۔ ساتھ ساتھ متعدد وائرس کے باعث کمزور عالمی مانگ نے صورتحال کو مزید خراب کر دیا۔ تیل کی قیمتیں گزشتہ اٹھارہ برسوں کی پست ترین سطح پر پہنچ گئیں۔ (تیل کی) دریافت اور پیداوار (ای این ڈی) اور تیل کی مارکیٹنگ کی کمپنیوں (اوائیم سی) کو دوران سہ ماہی 40 فیصد سے زائد کا نقصان ہوا۔ کمرشل بینکوں کو بھی تقریباً 30 فیصد خسارے کا سامنا ہوا کیونکہ مرکزی بینک نے تسہیل کی پالیسی جاری رکھی جبکہ غیر ملکیوں میں خطرات پر مبنی اثاثہ جات سے گریز اور اس کے نتیجے میں مقامی بینکوں سے بے اعتنائی کا رجحان برقرار رہا۔ کھاد اور دوا سازی کے شعبوں کی کارکردگی انڈیکس سے سبقت لے گئی کیونکہ سرمایہ کاروں کی توجہ دفاعی حکمت عملی پر مرکوز رہی۔

فنڈ کی کارکردگی

Debt فنڈ

Debt ذیلی فنڈ نے زیر جائزہ مدت کے دوران 17.00 فیصد ایک سال پر محیط منافع حاصل کیا۔ اختتام مدت کے قریب ذیلی فنڈ کی ٹریڈری بلنز (ٹی بلنز) میں شمولیت 32.7 فیصد، جبکہ نقد میں 31.3 فیصد تھی۔

31 مارچ 2020ء کو فنڈ کے net اثاثہ جات 589.33 ملین روپے تھے جو 30 جون 2019ء کو 520.53 ملین روپے کے مقابلے میں 13.22 فیصد اضافہ ہے۔

31 مارچ 2020ء کو net اثاثہ جاتی قدر (این اے وی) 290.41 روپے فی یونٹ تھی جو 30 جون 2019ء کو ابتدائی این اے وی 257.43 روپے فی یونٹ کے مقابلے میں 32.98 روپے فی یونٹ اضافہ ہے۔

Money مارکیٹ فنڈ

Money مارکیٹ ذیلی فنڈ نے دوران مدت 12.37 فیصد منافع حاصل کیا۔ فنڈ کی ٹریڈری بلنز (ٹی بلنز) میں شمولیت بڑھ کر 51.7 فیصد ہو گئی جبکہ نقد میں شمولیت کم ہو کر 39.4 فیصد ہو گئی۔

بورڈ آف ڈائریکٹرز کی طرف سے پاکستان پنشن فنڈ کے اکاؤنٹس کا جائزہ برائے سہ ماہی مختتمہ 31 مارچ 2020ء پیش خدمت ہے۔

معیشت اور بازار کا جائزہ

مالی سال 2019-20ء کی تیسری سہ ماہی تاریکی و تباہی سے بھرپور تھی کیونکہ کورونا وائرس (کووڈ-19) کی وبا نے عالمی معیشت میں آفت مچا دی۔ دیکھتے ہی دیکھتے یہ قاتل وبا دنیا بھر میں پھیل گئی جس سے پندرہ لاکھ سے زائد افراد متاثر ہوئے جبکہ ۸۰ ہزار سے زائد لقمہء اجل بن گئے۔ چین نے سخت اقدامات اٹھا کر کورونا وائرس کو شکست دی جبکہ دنیا کے دوسرے حصے خصوصاً یورپی یونین اور امریکا بڑی طرح متاثر ہوئے۔ دوسری جانب اگرچہ ہمارے ملک میں متاثرہ افراد کی تعداد اب تک ترقی یافتہ دنیا کے مقابلے میں کم ہے (تقریباً 4,500 تا حال) لیکن صورت حال فی الوقت غیر یقینی ہے۔ ملک بھر میں نیم لاک ڈاؤن نافذ ہے جس سے مقامی کاروبار متاثر ہوئے ہیں۔

کووڈ-19 کی وبا پھیلنے سے قبل مجموعی ملکی پیداوار (جی ڈی پی) میں متوقع ترقی مختلف اداروں کے مطابق 2.4 فیصد سے 3.0 فیصد تک تھی۔ تاہم وبا کے باعث جی ڈی پی کی ترقی غیر یقینی صورتحال کا شکار ہو گئی ہے۔ اہم فصلوں (کپاس، گندم اور چینی) کی پیداوار میں متوقع کمی کے ساتھ ساتھ بڑے پیمانے کی مینوفیکچرنگ (ایل ایس ایم) کی متوقع سے کم ترقی کے نتیجے میں سست صنعتی پیش رفت کے باعث مجموعی ترقی متاثر ہونے کا امکان ہے۔ ایل ایس ایم توقع کے مطابق کمی کا شکار رہی کیونکہ درآمداتی کھپت کی مانگ ہوا میں تحلیل ہو گئی۔ مالی سال 2019-20ء کے ابتدائی سات ماہ میں ایل ایس ایم میں تقریباً 3.4 فیصد کمی ہوئی جس کا بڑا تناسب پٹرولیم کی پیداوار اور گردش شعبوں سے متعلق ہے۔

مالیاتی سختی اور زرمبادلہ کی شرحوں میں ترمیمات کے لحاظ سے پالیسی اقدام کے تاخیر شدہ اثرات کے ثمرات حاصل ہونے کا سلسلہ جاری رہا جس کی عکاسی ادائیگیوں کے توازن (بی او پی) کی صورتحال میں بہتری سے ہوتی ہے۔ سال رواں کے ابتدائی آٹھ ماہ میں کرنٹ اکاؤنٹ کا خسارہ سال در سال (YoY) بنیاد پر تقریباً 70 فیصد کم ہو کر 2.8 بلین ڈالر ہو گیا۔ مالی سال 2019-20ء کے ابتدائی آٹھ ماہ میں اشیاء اور خدمات کی درآمدات میں کمی کا سلسلہ جاری رہا اور یہ تقریباً 15 فیصد کم ہوئیں جبکہ برآمدات میں اضافے کا سلسلہ شروع ہو گیا ہے اور ان میں تقریباً 3.2 فیصد اضافہ ہوا۔ ترسیلات زر سے بی او پی کی حالت کو کچھ سہارا ملا کیونکہ دوران مدت ان میں تقریباً 5 فیصد اضافہ ہوا۔ جولائی تا فروری کی مدت کے دوران ملک میں قرضہ جاتی سکیورٹیز میں تقریباً 3.1 بلین ڈالر مالیت کی حتمی غیر ملکی سرمایہ کاری ہوئی۔ تاہم مارچ کے مہینے میں 1.8 بلین مالیت کے خود مختار قرضوں کی سرمایہ کاری واپس لے لی گئی۔ زرمبادلہ کے ذخائر میں جولائی تا مارچ کے دوران 2.9 بلین ڈالر اضافہ ہوا جس کی معاونت انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف)، کثیرالجہتی اداروں اور غیر ملکی دائرہ کار کے سرمایہ کاروں سے آمدات کے ساتھ ساتھ کرنٹ اکاؤنٹ کے خسارے میں کمی سے ہوئی۔

مالی سال کے ابتدائی نو ماہ کے دوران فیڈرل بورڈ آف ریونیو (ایف بی آر) نے 3,050 بلین روپے کے عارضی ٹیکس جمع کیے۔ مارچ کے مہینے سے پہلے عارضی ٹیکس کی وصولی بہت حوصلہ افزا تھی اور اس میں 17 فیصد سال در سال ترقی ہو رہی تھی۔ تاہم مارچ کے مہینے میں لاک ڈاؤن کے نفاذ کے نتیجے میں تقریباً 100 سے 150 بلین روپے کی کمی ہوئی جس سے مالی سال 2019-20ء کے ابتدائی نو ماہ میں مجموعی ترقی 13 فیصد کم ہو گئی۔

مالی سال 2019-20ء کے ابتدائی نو ماہ کے لیے صارفی قیمت کے انڈیکس (سی پی آئی) کا اوسط 11.5 فیصد تھا۔ بھارت سے درآمدات پر پابندی عائد ہونے کے بعد جلد خراب ہونے والی اشیائے خورد و نوش کی قیمتوں میں اضافے کے باعث اشیائے خورد و نوش کی افراط زر پر بڑی ضرب پڑی۔ تاہم افراط زر کے دباؤ میں کمی کا رجحان شروع ہو گیا ہے جو مارچ میں 10.2 فیصد تھی کیونکہ پٹرولیم کی قیمتوں اور اشیائے خورد و نوش کی افراط زر میں کمی سے مجموعی افراط زر میں بھی کمی ہوئی ہے۔ بہر حال اشیائے خورد و نوش اور توانائی کے علاوہ دیگر شعبوں میں پیمائش کردہ بنیادی افراط زر قابو میں رہی اور مذکورہ مدت کے لیے اس کا اوسط 8.1 فیصد تھا۔

مانیٹری پالیسی کمیٹی (ایم پی سی) نے اپنے پہلے ماہانہ اجلاس میں افراط زر کی صورتحال میں بہتری کا حوالہ دیتے ہوئے انٹریسٹ کی شرح میں 75 بیسیس پوائنٹس (بی پی ایس) کمی کی۔ دوران ماہ ایک اور اجلاس منظر عام پر آیا جس میں ایم پی سی نے کورونا وائرس کی وبا کے رد عمل کے طور پر عالمی سطح پر مرکزی

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020


March 31, 2020 (Un-audited)					June 30, 2019 (Audited)				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees)				(Rupees)			
Assets									
Balances with banks	4	16,885,470	186,775,324	186,676,059	390,336,853	52,881,100	377,221,015	188,773,157	618,875,272
Investments	5	518,382,047	370,209,251	285,839,867	1,174,431,165	670,488,179	364,399,369	148,355,108	1,183,242,656
Advances against IPO subscription debt security		-	35,000,000	-	35,000,000				
Dividend receivable		6,332,411	-	-	6,332,411	2,875,842	-	-	2,875,842
Profit receivable		191,667	3,920,747	1,133,533	5,245,947	208,311	5,437,320	1,784,869	7,430,500
Advances, deposits and other receivables		3,037,002	927,958	266,864	4,231,824	3,014,069	925,429	261,207	4,200,705
Total assets		544,828,597	596,833,280	473,916,323	1,615,578,200	729,467,501	747,983,133	339,174,341	1,816,624,975
Liabilities									
Payable to Pension Fund Manager		901,467	831,967	661,002	2,394,436	1,020,422	719,281	426,594	2,166,297
Payable to Central Depository Company of Pakistan Limited - Trustee		78,035	72,129	57,308	207,472	90,232	63,552	37,660	191,444
Annual fee payable to the Securities and Exchange Commission of Pakistan		159,601	124,225	88,926	372,752	259,714	182,448	78,310	520,472
Payable against purchase of investments		-	-	-	-	-	221,595,525	19,697,380	241,292,905
Accrued expenses and other liabilities	6	7,271,822	6,472,933	2,848,816	16,593,571	6,643,516	4,892,701	1,917,980	13,454,197
Total liabilities		8,410,925	7,501,254	3,656,052	19,568,231	8,013,884	227,453,507	22,157,924	257,625,315
NET ASSETS		536,417,672	589,332,026	470,260,271	1,596,009,969	721,453,617	520,529,626	317,016,417	1,558,999,660
Participants' sub funds (as per condensed interim Statement of Movement in Participants' sub funds)									
		536,417,672	589,332,026	470,260,271		721,453,617	520,529,626	317,016,417	
		(Number of units)				(Number of units)			
NUMBER OF UNITS IN ISSUE	10	1,461,117	2,029,323	1,817,055		1,668,870	2,022,000	1,339,095	
		(Rupees)				(Rupees)			
NET ASSETS VALUE PER UNIT		367.13	290.41	258.80		432.30	257.43	236.74	
Contingencies and commitments									
	7								

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2020

	Nine months ended 31 March 31, 2020				Nine months ended 31 March 31, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)				(Rupees)			
Income								
Investments at fair value through profit or loss:								
- Net capital gain / (loss) on sale of investments	28,791,932	20,077,226	1,877,722	50,746,880	(9,850,008)	(229,527)	(135,216)	(10,214,751)
- Dividend income from investments	32,146,011	-	-	32,146,011	31,583,397	-	-	31,583,397
- Income from Government securities	-	29,906,750	26,341,166	56,247,916	-	12,639,928	6,531,510	19,171,438
- Income from term finance and sukuk certificates	-	11,618,691	-	11,618,691	-	9,180,622	-	9,180,622
- Income on commercial papers	-	2,162,798	635,368	2,798,166	-	2,504,706	482,771	2,987,477
- Net unrealised gain / (loss) on revaluation of investments 5.1-5.3	(142,949,919)	978,832	644,381	(141,326,706)	(52,341,461)	(536,711)	2,025	(52,876,147)
Profit on bank and term deposits	2,300,934	11,911,069	12,645,620	26,857,623	2,081,181	13,871,854	7,880,916	23,833,951
Other income	-	50,203	-	50,203	-	27,005	-	27,005
Total income	(79,711,042)	76,705,569	42,144,257	39,138,784	(28,526,891)	37,457,877	14,762,006	23,692,992
Expenses								
Remuneration of Pension Fund Manager	7,989,352	6,192,800	4,464,413	18,646,565	8,923,030	6,270,408	2,431,489	17,624,927
Sindh sales tax on remuneration of Pension Fund Manager	1,038,620	805,062	580,372	2,424,054	1,159,994	815,154	316,094	2,291,242
Remuneration of Central Depository Company Limited - Trustee	692,818	538,032	387,516	1,618,366	784,906	551,504	213,892	1,550,302
Sales tax on remuneration of trustee	90,064	69,800	50,403	210,267	102,045	71,831	27,803	201,679
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	159,601	124,225	88,926	372,752	198,087	139,408	53,974	391,469
Auditors' remuneration	181,109	142,998	101,646	425,753	154,599	107,750	41,653	304,002
Custody and settlement charges	331,213	274,520	4,520	610,253	347,617	5,085	6,215	358,917
Securities transaction cost	1,574,316	218,870	39,592	1,832,778	1,132,507	275,639	4,870	1,413,016
Provision for Sindh Workers' Welfare Fund	-	1,395,356	828,694	2,224,050	-	349,724	12,045	361,769
Bank charges	17,040	162,233	93,405	272,678	17,388	84,478	69,898	171,764
Total expenses	12,074,133	9,923,896	6,639,487	28,637,516	12,820,173	8,670,981	3,177,933	24,669,087
Net income / (loss) from operating activities	(91,785,175)	66,781,673	35,504,770	10,501,268	(41,347,064)	28,786,896	11,584,073	(976,095)
Element of income / (loss) and capital gains / (losses) included in the prices of units sold less those in units redeemed - net	(4,519,320)	1,578,221	5,127,237	2,186,138	16,922,551	(11,649,887)	(10,976,062)	(5,703,398)
Net income / (loss) for the period before taxation	(96,304,495)	68,359,894	40,632,007	12,687,406	(24,424,513)	17,137,009	608,011	(6,679,493)
Taxation	8	-	-	-	-	-	-	-
Net income / (loss) for the period	(96,304,495)	68,359,894	40,632,007	12,687,406	(24,424,513)	17,137,009	608,011	(6,679,493)
Earnings / (losses) per unit								

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2020

Note	Quarter ended March 31, 2020				Quarter ended March 31, 2019			
	Equity	Debt	Money	Total	Equity	Debt	Money	Total
	Sub-Fund	Sub-Fund	Market		Sub-Fund	Sub-Fund	Market	
	(Rupees)							
Income								
Investments at fair value through profit or loss:								
- Net capital gain / (loss) on sale of investments	16,894,089	11,902,443	885,489	29,682,021	(3,027,759)	-51,428	(39,755)	(3,118,942)
- Dividend income from investments	7,840,036	-	-	7,840,036	11,534,805	-	-	11,534,805
- Income from Government securities	-	10,099,233	10,785,382	20,884,615	-	4,869,614	2,241,470	7,111,084
- Income from term finance and sukuk certificates	-	4,648,807	-	4,648,807	-	3,332,893	-	3,332,893
- Income on commercial papers	-	1,397,159	443,974	1,841,133	-	936,998	218,786	1,155,784
- Net unrealised gain / (loss) on revaluation of investments ^{5.3}	-236,984,104	1,053,010	690,616	-235,240,478	40,932,365	-529,600	2,025	40,404,790
Profit on bank and term deposits	586,409	2,780,246	3,018,660	6,385,315	748,894	5,016,369	3,753,028	9,518,291
Other income	-	15,793	-	15,793	-	-2,531	-	(2,531)
Total income	(211,663,570)	31,896,691	15,824,121	(163,942,758)	50,188,305	13,596,786	6,175,554	69,960,645
Expenses								
Remuneration of Pension Fund Manager	2,778,160	2,095,342	1,619,764	6,493,266	3,011,694	2,016,208	876,656	5,904,558
Sindh sales tax on remuneration of Pension Fund Manager	361,165	272,392	210,568	844,125	391,520	262,107	113,966	767,593
Remuneration of Central Depository Company Limited - Trustee	237,938	179,822	138,968	556,728	263,679	176,270	76,773	516,722
Sales tax on remuneration of trustee	30,923	23,223	18,092	72,238	34,284	22,951	9,979	67,214
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	43,936	33,243	25,759	102,938	66,863	44,754	19,457	131,074
Auditors' remuneration	70,237	58,481	45,477	174,195	46,936	30,180	13,457	90,573
Custody and settlement charges	121,709	91,130	1,130	213,969	108,635	-178,305	1,695	-67,975
Securities transaction cost	792,544	69,374	12,265	874,183	261,804	271,580	1,820	535,204
Provision for Sindh Workers' Welfare Fund	(2,559,552)	610,920	347,445	-1,601,187	0	166,674	12,045	178,719
Bank charges	3,964	55,863	36,118	95,945	10,133	39,136	32,083	81,352
Total expenses	1,881,024	3,489,790	2,455,586	7,826,400	4,195,548	2,851,555	1,157,931	8,205,034
Net income / (loss) from operating activities	(213,544,594)	28,406,901	13,368,535	(171,769,158)	45,992,757	10,745,234	5,017,623	61,755,614
Element of income / (loss) and capital gains / (losses) included in the prices of units sold less those in units redeemed - net	(8,177,949)	1,515,652	3,682,255	(2,980,042)	(1,002,294)	-2,713,295	2,267,797	(1,447,792)
Net income / (loss) for the period before taxation	(221,722,543)	29,922,553	17,050,790	(174,749,200)	44,990,463	8,031,939	7,285,420	60,307,822
Taxation	-	-	-	-	-	-	-	-
Net income / (loss) for the period	(221,722,543)	29,922,553	17,050,790	(174,749,200)	44,990,463	8,031,939	7,285,420	60,307,822
Earnings / (losses) per unit								

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The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months ended 31 March 31, 2020				Nine months ended 31 March 31, 2019			
	Equity	Debt	Money		Equity	Debt	Money	
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total
	(Rupees)				(Rupees)			
Net income / (loss) for the period after taxation	(96,304,495)	68,359,894	40,632,007	12,687,406	(24,424,513)	17,137,009	608,011	(6,679,493)
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	<u>(96,304,495)</u>	<u>68,359,894</u>	<u>40,632,007</u>	<u>12,687,406</u>	<u>(24,424,513)</u>	<u>17,137,009</u>	<u>608,011</u>	<u>(6,679,493)</u>

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER ENDED MARCH 31, 2020

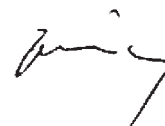
	Quarter ended March 31, 2020				Quarter ended March 31, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)				(Rupees)			
Net income / (loss) for the period after taxation	(221,722,543)	29,922,553	17,050,790	(174,749,200)	44,990,463	8,031,939	7,285,420	60,307,822
Other comprehensive income for the period								
Items to be reclassified to profit or loss in subsequent period:								
Unrealised diminution on revaluation of investments classified as fair value through other comprehensive income / available for sale - net	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	<u>-221,722,543</u>	<u>29,922,553</u>	<u>17,050,790</u>	<u>-174,749,200</u>	<u>44,990,463</u>	<u>8,031,939</u>	<u>7,285,420</u>	<u>60,307,822</u>

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months ended 31 March 31, 2020				Nine months ended 31 March 31, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)				(Rupees)			
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income / (loss) for the period	(96,304,495)	68,359,894	40,632,007	12,687,406	(24,424,513)	17,137,009	608,011	(6,679,493)
Adjustments for non cash and other items:								
Net capital (gain) / loss on sale of investments at fair value through profit or loss	(28,791,932)	(20,077,226)	(1,877,722)	(50,746,880)	9,850,008	229,527	135,148	10,214,683
Unrealised (gain) / loss on revaluation of investments - at fair value through profit or loss - net	142,949,919	(978,832)	-644,381	141,326,706	52,341,461	536,711	-1,957	52,876,215
Element of (income) / loss and capital (gains) / losses included in prices of units issued less those redeemed:	4,519,320	(1,578,221)	(5,127,237)	(2,186,138)	(16,922,551)	11,649,887	10,976,062	5,703,398
	118,677,307	(22,634,279)	(7,649,340)	88,393,688	45,268,918	12,416,125	11,109,253	68,794,296
(Increase) / decrease in assets								
Investments	37,948,145	15,246,176	110,277,344	163,471,665	(59,420,040)	(129,092,526)	44,293,835	(144,218,731)
Advances against IPO subscription debt security	-	(35,000,000)	-	(35,000,000)	-	-	-	-
Dividend receivable	(3,456,569)	-	-	(3,456,569)	(10,829,771)	-	-	(10,829,771)
Interest receivable	16,644	1,516,573	651,336	2,184,553	(98,809)	1,223,535	(794,469)	330,257
Receivable against sale of investments	-	-	-	-	(20,174,997)	-	94,964,090	74,789,093
Advance, deposits and other receivables	(22,933)	(2,529)	-5,657	(31,119)	(2,338)	(25,592)	(109,630)	(137,560)
	34,485,287	(18,239,780)	110,923,023	127,168,530	-90,525,955	-127,894,583	138,353,826	-80,066,712
Increase / (decrease) in liabilities								
Payable to Pension Fund Manager	(118,955)	112,686	234,408	228,139	45,804	(31,675)	99,948	114,077
Payable to Central Depository Company of Pakistan Limited - Trustee	(12,197)	8,577	19,648	16,028	3,682	(3,111)	8,684	9,255
Annual fee - Securities and Exchange Commission of Pakistan	(100,113)	(58,223)	10,616	(147,720)	(46,693)	(38,029)	(5,941)	(90,663)
Payable against purchase of investments	-	(221,595,525)	(19,697,380)	(241,292,905)	-	(94,021,395)	(54,440,255)	(148,461,650)
Payable against redemption of units	-	-	-	-	-	-	(22,097)	(22,097)
Accrued and other liabilities	628,306	1,580,232	930,836	3,139,374	1,781,567	378,909	13,389	2,173,865
	397,041	(219,952,253)	(18,501,872)	(238,057,084)	1,784,360	(93,715,301)	(54,346,272)	(146,277,213)
Net cash (used in) / generated from operating activities	57,255,140	(192,466,418)	125,403,818	(9,807,460)	(67,897,190)	(192,056,750)	95,724,818	(164,229,122)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts from issuance of units	135,898,780	217,782,986	208,972,877	562,654,643	205,441,267	88,802,087	117,923,094	412,166,448
Payments on redemption of units	(229,149,550)	(215,762,259)	(91,233,793)	(536,145,602)	(106,297,410)	(200,682,393)	(99,255,300)	(406,235,103)
Net cash (used in) / generated from financing activities	(93,250,770)	2,020,727	117,739,084	26,509,041	99,143,857	(111,880,306)	18,667,794	5,931,345
Net decrease in cash and cash equivalents	(35,995,630)	(190,445,691)	243,142,902	16,701,581	31,246,667	(303,937,056)	114,392,612	(158,297,777)
Cash and cash equivalents at beginning of the period	52,881,100	377,221,015	188,773,157	618,875,272	10,995,483	446,504,324	146,108,625	603,608,432
Cash and cash equivalents at end of the period	16,885,470	186,775,324	431,916,059	635,576,853	42,242,150	142,567,268	260,501,237	445,310,655

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

	Nine months ended 31 March 31, 2020				Nine months ended 31 March 31, 2019			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				----- (Rupees) -----			
Net assets at the beginning of the period	721,453,617	520,529,626	317,016,417	1,558,999,660	742,090,399	590,357,130	239,702,930	1,572,150,459
Amount received on issuance of units	135,898,780	217,782,986	208,972,877	562,654,643	205,441,267	88,802,087	117,923,094	412,166,448
Amount paid on redemption of units	(229,149,550)	(215,762,259)	(91,233,793)	(536,145,602)	(106,297,410)	(200,682,393)	(99,255,300)	(406,235,103)
	(93,250,770)	2,020,727	117,739,084	26,509,041	99,143,857	(111,880,306)	18,667,794	5,931,345
Element of (loss) / income and capital gains / (losses) included in prices of units issued less those in units redeemed - net	4,519,320	(1,578,221)	(5,127,237)	(2,186,138)	(16,922,551)	11,649,887	10,976,062	5,703,398
Net income / (loss) for the period	(96,304,495)	68,359,894	40,632,007	12,687,406	(24,424,513)	17,137,009	608,011	(6,679,493)
Net assets at the end of the period	536,417,672	589,332,026	470,260,271	1,596,009,969	799,887,192	507,263,720	269,954,797	1,577,105,709

The annexed notes from 1 to 16 form an integral part of these interim financial statements.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 The Pakistan Pension Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as Pension Fund Manager and Muslim Commercial Financial Services (Private) Limited (MCFSL) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 24, 2007 and was executed on June 04, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). Habib Metropolitan Bank Limited (HMBL) was appointed as the new Trustee in place of MCFSL through a revised Trust Deed dated June 16, 2011 which was approved by SECP on July 07, 2011. Central Depository Company of Pakistan Limited was appointed as the new Trustee in place of HMBL through a revised Trust Deed dated July 21, 2014 which was approved by SECP on July 23, 2014.
- 1.2 The Fund is an open-end pension fund consisting of three sub-funds namely; Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund. Units are offered for public subscription on a continuous basis. The number of units of any sub-fund purchased out of contributions depends on the Allocation Scheme selected by the respective Participant out of the allocation schemes offered by the Pension Fund Manager.
- 1.3 MCB-Arif Habib Savings and Investments Limited has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Management Company has been changed from 24th Floor, Centrepont, Off Shaheed-e-Millat Expressway, Near K.P.T. Interchange, Karachi, Pakistan to Adamjee House, MCB-AH Savings, 2nd Floor, I.I Chundrigar Rd, Karachi, Pakistan.
- 1.4 The Pakistan Credit Rating Agency (PACRA) has assigned Management quality rating of "AM2++" dated April 08, 2019 to the Management Company.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of the Fund have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- the requirements of the Trust Deed, voluntary pension system Rules, 2005 (VPS Rules) and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the VPS Rules or the directives issued by the SECP differ with the requirements of IAS 34. The requirements of the Trust Deed, the VPS Rules (2005) or the requirements of the said directives prevail.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Fund for the year ended June 30, 2019.
- 2.3** These condensed interim financial statements are un-audited and not subject to any audit or limited scope review by the auditors. Figures for the quarters ended March 31, 2020 and March 31, 2019 as reported in these interim financial statements have not been subject to limited scope review by the external auditors.
- 2.4** These condensed interim financial statements are presented in Pakistani Rupee, which is the functional and presentation currency of the Fund.

3. ACCOUNTING POLICIES AND ESTIMATES

- 3.1** The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2019.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

The Fund has adopted the following standards and amendment to IFRSs which became effective for the current period:

IFRS 3 Business Combinations: Previously held interests in a joint operation

IFRS 9 Prepayment Features with Negative Compensation (Amendments)

IFRS 11 Joint Arrangements: Previously held interests in a joint operation

IFRS 16 Leases

IAS 12 Income Taxes: Income tax consequences of payments on financial instruments classified as equity (Amendments)

IAS 19 Plan Amendment, Curtailment or Settlement (Amendments)

IAS 23 Borrowing Costs: Borrowing costs eligible for capitalisation

IAS 28 Long-term Interests in Associates and Joint Ventures (Amendments)

IFRIC Interpretation 23 Uncertainty over Income Tax Treatments

The adoption of the above amendments to accounting standards and interpretations did not have any effect on these interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

3.3 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2019.

4. BALANCES WITH BANKS

These are the saving accounts and carry interest at the rates ranging from 11.25% to 13.58% (June 30, 2019: 10.00% to 13.50%) per annum. These include balances of Rs.2,311,194. (June 30, 2019: Rs.311,449) and 6,319 (June 30, 2019: Rs.7,552) held with MCB Bank Limited and MCB Islamic Bank Limited respectively, related parties.

5. INVESTMENTS

At fair value through profit or loss

		March 31, 2020 (Un-audited)			
	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----					
Listed equity securities	5.1	518,382,047	-	-	518,382,047
Government securities	5.2	-	200,568,367	245,240,000	445,808,367
Debt securities - Term Finance Certificates / Sukuks	5.3	-	90,329,548	-	90,329,548
Commercial Paper	5.4	-	79,311,336	40,599,867	119,911,203.00
Term deposit receipt	5.5	-	-	-	-
		<u>518,382,047</u>	<u>370,209,251</u>	<u>285,839,867</u>	<u>1,174,431,165</u>

At fair value through profit or loss

		June 30, 2019 (Audited)			
	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees) -----					
Listed equity securities		670,488,179	-	-	670,488,179
Government securities		-	226,509,343	29,546,480	256,055,823
Debt securities - Term Finance Certificates / Sukuks		-	98,655,613	-	98,655,613
Commercial Paper		-	39,234,413	9,808,628	49,043,041
Term deposit receipt		-	-	109,000,000	109,000,000
		<u>670,488,179</u>	<u>364,399,369</u>	<u>148,355,108</u>	<u>1,183,242,656</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

5.1 Listed equity securities - at fair value through profit or loss

Equity Sub-Fund

Name of the Investee Company	Note	Number of shares				Balance As at March 31, 2020			Market value as a % of net assets of the sub-fund	Market value as a % of the paid up capital of the investee company
		As at July 01, 2019	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March 31, 2020	Carrying Value	Unrealised gain / (loss)		
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Automobile assembler										
Atlas Honda Limited		13,800	30,000	-	13,800	30,000	6,167,709	3,975,300	(2,192,409)	0.74%
Millat Tractors Limited		-	10,700	-	-	10,700	7,405,745	5,812,882	-	1.08%
							13,573,454	9,788,182	(3,785,272)	1.82%
Automobile parts and accessories										
Agriauto Industries Limited		12,000	31,700	-	-	43,700	8,748,889	7,002,925	(1,745,964)	1.31%
The General Tyre and Rubber Company of Pakistan Limited		170	-	-	170	-	-	-	-	0.00%
Atlas Battery Limited		13,780	-	-	13,780	-	-	-	-	0.00%
Thal Limited		-	45,000	-	-	45,000	14,876,350	13,220,100	(1,656,250)	2.46%
							23,625,239	20,223,025	(3,402,214)	3.77%
Cable and electrical goods										
Pak Elektron Limited		325,000	300,000	-	325,000	590,000	15,163,354	10,956,300	(4,207,054)	2.04%
Cement										
Kohat Cement Company Limited		125,710	-	-	-	125,710	6,603,546	10,968,198	4,364,652	2.04%
Lucky Cement Limited		46,300	103,000	-	80,500	68,800	26,911,051	25,504,160	(1,406,891)	4.75%
Cherat Cement Company Limited		-	-	-	-	100,000	5,663,240	5,539,000	(124,240)	-
Fauji Cement Company Limited		-	-	-	-	500,000	8,496,250	7,405,000	(1,091,250)	-
Maple Leaf Cement Factory Limited		250,000	750,000	340,000	491,001	848,999	13,240,819	17,591,259	4,350,440	3.28%
Bestway Cement Limited		-	39,100	-	-	48,600	5,273,742	4,520,772	(752,970)	0.84%
							66,188,648	71,528,389	5,339,741	10.91%
Chemical										
Dyneema Pakistan Limited		7,000	-	-	7,000	-	-	-	-	0.00%
Engro Polymer & Chemicals Limited		487,214	105,000	-	-	592,214	17,511,117	14,521,087	(2,990,030)	2.71%
Archroma Pakistan Limited		10,500	-	-	-	10,500	4,989,075	5,428,500	439,425	1.01%
Biafo Industries Limited		97	-	30	-	127	15,569	15,874	305	0.00%
Ittehad Chemicals Limited		-	-	-	-	253,000	5,283,121	4,799,410	(483,711)	0.89%
Lotte Chemicals Pakistan Limited		480,000	-	-	480,000	-	-	-	-	0.00%
							27,798,882	24,764,871	(3,034,011)	4.61%
Commercial banks										
Meezan Bank Limited		24	-	-	24	-	-	-	-	0.00%
Allied Bank Limited		200,000	20,000	-	-	220,000	22,877,998	15,646,400	(7,231,598)	2.92%
Askari Bank Limited		871,500	-	-	871,500	-	-	-	-	0.00%
Bank Alfalah Limited		1,207,250	-	-	880,500	326,750	14,243,033	10,393,918	(3,849,115)	1.94%
Bank AL Habib Limited		382,000	349,000	-	445,000	286,000	21,488,067	15,406,820	(6,081,247)	2.87%
Faysal Bank Limited		464,900	-	-	455,480	9,420	202,718	130,655	(72,063)	0.02%
Habib Bank Limited		60,000	177,000	-	60,000	177,000	27,269,116	18,271,710	(8,997,406)	3.41%
Habib Metropolitan Bank Limited		200,000	200,000	-	-	400,000	14,816,000	12,300,000	(2,516,000)	2.29%
United Bank Limited		163,900	150,000	-	72,900	241,000	37,011,864	24,295,210	(12,716,654)	4.53%
							137,908,796	96,444,713	(41,464,083)	17.98%
										0.76%

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

Name of the Investee Company	Note	Number of shares				Balance As at March 31, 2020			Market value as a % of net assets of the sub-fund	Market value as a % of the paid up capital of the investee company
		As at July 01, 2019	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March 31, 2020	Carrying Value	Unrealised gain / (loss)		
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Engineering										
International Industries Limited		63,200	-	6,320	69,520	-	-	-	0.00%	0.00%
Glass & Ceramics										
Tariq Glass Industries		58,500	-	-	58,500	-	-	-	0.00%	0.00%
Fertilizer										
Engro Corporation Limited		113,520	50,000	-	72,600	90,920	26,987,111	24,266,548	(2,720,563)	4.52%
Engro Fertilizer Limited		614,000	220,000	-	614,000	220,000	12,583,890	12,685,200	101,310	2.36%
Fauji Fertilizer Company Limited		364,000	75,000	-	115,000	324,000	29,220,232	30,135,240	915,008	5.62%
							68,791,233	67,086,988	(1,704,245)	12.50%
Food and personal care products										
National Foods Limited		67,200	-	13,440	-	80,640	12,375,555	16,025,587	3,650,032	2.99%
Shezan International Limited		13,255	-	-	-	13,255	5,599,707	3,253,042	(2,346,665)	0.61%
							17,975,262	19,278,629	1,303,367	3.60%
Leather and tanneries										
Bata Pakistan Limited		4,380	-	-	-	4,380	6,045,758	6,438,600	392,842	1.20%
Service Industries Limited		12,375	-	3,093	-	15,468	6,104,834	9,940,665	3,835,831	1.85%
							12,150,592	16,379,265	4,228,673	3.05%
Miscellaneous										
Shifa International Hospitals Limited		3	-	-	3	-	-	-	-	0.00%
Oil and gas exploration companies										
Oil & Gas Development Company Limited		431,900	-	-	117,000	314,900	41,406,201	24,244,151	(17,162,050)	4.52%
Pakistan Oilfields Limited		82,540	32,000	-	48,000	66,540	26,970,778	17,447,453	(9,523,325)	3.25%
Pakistan Petroleum Limited		385,046	65,000	77,009	40,000	487,055	62,058,697	34,975,420	(27,083,277)	6.52%
Mari Petroleum Company Limited		2	12,020	-	2	12,020	15,134,425	10,711,022	(4,423,403)	2.00%
							145,570,101	87,378,046	(58,192,055)	16.29%
Oil and gas marketing companies										
Shell Pakistan Limited		13,000	-	-	13,000	-	-	-	-	0.00%
Sui Northern Gas Pipelines Limited		246,700	133,500	-	56,500	323,700	24,133,292	11,944,530	(12,188,762)	2.23%
Pakistan State Oil Company Limited		62,300	-	-	62,300	-	-	-	-	0.00%
Attock Petroleum Limited		-	22,000	-	-	22,000	6,807,423	5,192,220	(1,615,203)	0.97%
							30,940,715	17,136,750	(13,803,965)	3.20%
Paper and board										
Century Paper & Board Mills Limited		167,000	-	-	167,000	-	-	-	-	0.00%
Cherat Packaging Limited		86	-	-	86	-	-	-	-	0.00%
Security Papers Limited		33	35,000	-	33	35,000	4,155,575	4,357,500	201,925	0.81%
							4,155,575	4,357,500	201,925	0.81%
Pharmaceuticals										
AGP Limited		45	-	-	45	-	-	-	-	0.00%
IBL HealthCare Limited		8,145	-	-	7,050	1,095	36,683	49,439	12,756	0.01%
Ferozsons Laboratories Limited		-	30,000	-	-	30,000	6,480,942	5,216,400	(1,264,542)	0.97%
The Searle Company Limited		231	-	-	87	144	21,105	22,586	1,481	0.00%
Abbott Laboratories (Pakistan) Limited		-	28,600	-	-	28,600	11,266,756	9,102,522	(2,164,234)	1.70%
							17,805,486	14,390,947	(3,414,539)	2.68%

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

Name of the Investee Company	Note	Number of shares				Balance As at March 31, 2020			Market value as a % of net assets of the sub-fund	Market value as a % of the paid up capital of the investee company
		As at July 01, 2019	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at March 31, 2020	Carrying Value	Market value gain / (loss)		
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Power generation and distribution										
The Hub Power Company Limited	5.1.1	682,002	187,500	-	405,000	484,502	40,612,478	31,711,552	(8,900,926)	5.91%
Kot Addu Power Co. Limited		-	145,000	-	-	145,000	4,277,500	2,797,050	(1,480,450)	0.52%
Altern Energy Limited		10,500	-	-	10,500	-	-	-	-	0.00%
						44,889,978	34,508,602	(10,381,376)	5.91%	0.24%
Refinery										
Attock Refinery Limited		125	-	-	125	-	-	-	-	0.00%
Sugar and allied industries										
Faran Sugar Mills Limited		38,000	-	-	-	38,000	1,542,800	1,976,000	433,200	0.37%
Technology and communication										
Hum Network Limited (Par value of Re.1)		925,000	-	-	-	925,000	2,932,250	1,988,750	(943,500)	0.37%
Systems Limited		208,951	-	-	208,951	-	-	-	-	0.00%
Avanceon Limited		5,156	-	-	1	5,155	252,801	117,946	(134,855)	0.02%
						3,185,051	2,106,696	(1,078,355)	0.39%	0.22%
Textile composite										
Kohinoor Textile Mills Limited		190,800	-	-	-	190,800	4,779,540	4,937,904	158,364	0.92%
Gul Ahmad Textile Limited		544,500	172,000	143,300	203,000	656,800	25,287,260	15,139,240	(10,148,020)	2.82%
						30,066,800	20,077,144	(9,989,656)	3.74%	0.51%
Total As at March 31, 2020 (Un-audited)						661,331,966	518,382,047	(142,949,919)		
Total as at June 30, 2019 (Audited)							805,765,784	670,488,179	(135,277,605)	

* These have a face value of Rs.5 per share.

5.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) as security against settlement of the Sub-Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

	(Un-audited) March 2020	(Audited) June 30, 2019	(Un-audited) March 2020	(Audited) June 30, 2019
----- (Number of shares) -----				
Oil & Gas Development Company Limited	100,000	100,000	7,700,000	13,149,000
The Hub Power Company Limited	110,995	110,995	7,547,660	8,740,856
	210,995	210,995	15,247,660	21,889,856

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

5.2 Government securities - at fair value through profit or loss

Debt Sub-Fund

Name of security	Issue date	Face value			Balance As at March 31, 2020			Market value as % of net assets of sub-funds		
		As at July 01, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020 (Rupees)	Carrying Value	Market value		Unrealised (loss) / gain	
Pakistan Investment Bonds										
Pakistan Investment Bonds - 3 years	19-Sep-19	-	450,000,000	450,000,000	-	-	-	0.00%		
	12-Jul-18	-	700,000,000	700,000,000	-	-	-	0.00%		
Pakistan Investment Bonds - 5 years	19-Sep-19	-	450,000,000	450,000,000	-	-	-	0.00%		
	12-Jul-18	-	453,000,000	453,000,000	-	-	-	0.00%		
Pakistan Investment Bonds - 10 years	19-Sep-2019	-	50,000,000	-	-	-	-	0.00%		
	12-Jul-2018	-	37,500,000	-	-	-	-	0.00%		
Pakistan Investment Bonds - 15 years	31-Oct-2006	3,500,000	-	-	3,500,000	3,325,922	3,490,074	164,152	0.59%	
Pakistan investment bonds - 20 years	10-Jun-2004	1,900,000	-	-	1,900,000	1,681,407	1,949,543	268,136	0.33%	
							-	5,439,617	432,288	0.92%
Treasury Bills										
Market Treasury Bills - 3 months	23-May-2019	225,000,000	-	225,000,000	-	-	-	-	0.00%	
	18-Jul-2019	-	470,000,000	470,000,000	-	-	-	-	0.00%	
	1-Aug-2019	-	600,000,000	600,000,000	-	-	-	-	0.00%	
	16-Jan-2020	-	260,000,000	260,000,000	-	-	-	-	0.00%	
	16-Aug-2019	-	230,000,000	230,000,000	-	-	-	-	0.00%	
	12-Mar-2020	-	375,000,000	375,000,000	-	-	-	-	0.00%	
	19-Dec-2019	-	115,000,000	115,000,000	-	-	-	-	0.00%	
	27-Feb-2020	-	100,000,000	100,000,000	-	-	-	-	0.00%	
	2-Jan-2020	-	100,000,000	100,000,000	-	-	-	-	0.00%	
	24-Oct-2019	-	500,000,000	500,000,000	-	-	-	-	0.00%	
	7-Nov-2019	-	525,000,000	525,000,000	-	-	-	-	0.00%	
	Market Treasury Bills - 6 months	18-Jul-2019	-	200,000,000	200,000,000	-	-	-	-	0.00%
		10-Oct-2019	-	650,000,000	500,000,000	150,000,000	149,634,803	149,641,050	6,247	25.39%
24-Oct-2019		-	500,000,000	500,000,000	-	-	-	-	0.00%	
7-Nov-2019		-	425,000,000	425,000,000	-	-	-	-	0.00%	
12-Mar-2020		-	250,000,000	250,000,000	-	-	-	-	0.00%	
12-Sep-2019		-	120,000,000	120,000,000	-	-	-	-	0.00%	
30-Jan-2020		-	250,000,000	250,000,000	-	-	-	-	0.00%	
Market Treasury Bills - 12 months	16-Aug-2019	-	250,000,000	250,000,000	-	-	-	-	0.00%	
	29-Aug-2019	-	250,000,000	250,000,000	-	-	-	-	0.00%	
	12-Sep-2019	-	250,000,000	250,000,000	-	-	-	-	0.00%	
	26-Sep-2019	-	500,000,000	500,000,000	-	-	-	-	0.00%	
	10-Oct-2019	-	925,000,000	925,000,000	-	-	-	-	0.00%	
	24-Oct-2019	-	450,000,000	450,000,000	-	-	-	-	0.00%	
	7-Nov-2019	-	425,000,000	425,000,000	-	-	-	-	0.00%	
	2-Jan-2020	-	100,000,000	100,000,000	-	-	-	-	0.00%	
	12-Mar-2020	-	420,000,000	370,000,000	50,000,000	44,947,403	45,487,700	540,297	7.72%	
	27-Feb-2020	-	500,000,000	500,000,000	-	-	-	-	0.00%	
	30-Jan-2020	-	825,000,000	825,000,000	-	-	-	-	0.00%	
Total As at March 31, 2020 (Un-audited)					149,634,803	195,128,750	546,544	25.39%		
					154,642,132	200,568,367	978,832			
Total as at June 30, 2019 (Audited)					227,073,234	226,509,343	(563,891)			

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

Money Market Sub-Fund

	Issue Date	Face value				Balance As at March 31, 2020		Market value as % of net assets of sub-funds	
		As at July 01, 2019	Purchased during the period	Sold / matured during the period	As at March 31, 2020 (Rupees)	Carrying Value	Market value		
Treasury Bills									
Market Treasury Bills - 3 months	23-May-2019	30,000,000	-	30,000,000	-	-	-	0.00%	
	18-Jul-2019	-	230,000,000	230,000,000	-	-	-	0.00%	
	1-Aug-2019	-	230,000,000	230,000,000	-	-	-	0.00%	
	10-Oct-2019	-	700,000,000	700,000,000	-	-	-	0.00%	
	24-Oct-2019	-	900,000,000	900,000,000	-	-	-	0.00%	
	7-Nov-2019	-	400,000,000	400,000,000	-	-	-	0.00%	
	2-Jan-2020	-	3,650,000,000	3,650,000,000	-	-	-	0.00%	
	19-Dec-2019	-	350,000,000	350,000,000	-	-	-	0.00%	
	12-Mar-2020	-	375,000,000	125,000,000	250,000,000	244,595,619	245,240,000	41.61%	
	16-Jan-2020	-	340,000,000	340,000,000	-	-	-	0.00%	
	30-Jan-2020	-	500,000,000	500,000,000	-	-	-	0.00%	
	Market Treasury Bills - 6 months	10-Oct-2019	-	600,000,000	600,000,000	-	-	-	0.00%
		18-Jul-2019	-	165,000,000	165,000,000	-	-	-	0.00%
24-Oct-2019		-	1,500,000,000	1,500,000,000	-	-	-	0.00%	
7-Nov-2019		-	400,000,000	400,000,000	-	-	-	0.00%	
1-Aug-2019		-	170,000,000	170,000,000	-	-	-	0.00%	
12-Mar-2020		-	250,000,000	250,000,000	-	-	-	0.00%	
2-Jan-2020		-	150,000,000	150,000,000	-	-	-	0.00%	
Total As at March 31, 2020 (Un-audited)					244,595,619	245,240,000	644,381		
Total as at June 30, 2019 (Audited)					29,548,173	29,546,480	(1,693)		

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

5.3 Debt securities - Term finance certificates / Sukuks - at fair value through profit or loss

Debt Sub-Fund

Name of security	Issue date	Number of certificates			Balance As at March 31, 2020		Market value as % of net assets of sub-funds		
		As at July 01, 2019	Purchased during the period	Sold during the period	As at March 31, 2020	Carrying Value		Market value	Unrealised gain / (loss)
(Rupees)									
Term finance certificates									
Bank Alfalah Limited	20-Feb-13	3,000	-	-	3,000	14,958,000	14,902,805	(55,195)	2.53%
Habib Bank Limited	19-Feb-16	150	-	-	150	14,739,754	14,923,584	183,830	2.53%
The Bank of Punjab	23-Dec-16	50	-	-	50	4,945,309	4,966,548	21,239	0.84%
Askari Bank Limited	30-Sep-14	5,003	-	-	5,003	24,312,281	24,397,444	85,163	4.14%
Jahangir Siddiqui & Co. Ltd.	18-Jul-17	5,000	-	-	5,000	15,475,688	15,489,953	14,265	2.63%
Sukuks									
Aspin Pharma (Private) Limited	30-Nov-17	130	-	-	130	9,627,482	9,847,500	220,018	1.67%
Dawood Hercules Corporation Limited	16-Nov-17	72	-	-	72	5,741,055	5,801,714	60,659	0.98%
Total As at March 31, 2020 (Un-audited)					89,799,569	90,329,548	529,979		
Total as at June 30, 2019 (Audited)					99,792,626	98,655,613	(1,137,013)		

5.3.1 Significant terms and conditions of term finance certificates / sukuks outstanding at the period end are as follows:

Name of security	Number of certificates	Face / redemption value (Rupees)		Interest rate per annum	Maturity	Secured / unsecured	Rating
		Per certificate	Total				
Un-listed							
Bank Alfalah Limited	3,000	4,986	14,958,000	6M KIBOR + 1.25%	20-Feb-21	Unsecured	AA
Habib Bank Limited	150	99,840	14,976,000	6M KIBOR + 0.50%	19-Feb-26	Unsecured	AAA
The Bank of Punjab	50	99,880	4,994,000	6M KIBOR + 1.00%	23-Dec-26	Unsecured	AA-
Aspin Pharma (Private) Limited	130	75,000	9,750,000	3M KIBOR + 1.50%	30-Nov-23	Secured	A
Listed							
Askari Bank Limited	5,003	4,989	24,959,967	6M KIBOR + 1.20%	30-Sep-24	Unsecured	AA-
Jahangir Siddiqui & Co. Ltd.	5,000	3,125	15,625,000	6M KIBOR + 1.40%	18-Jul-22	Secured	AA+
Dawood Hercules Corporation Limited	72	80,000	5,760,000	3M KIBOR + 1.00%	16-Nov-22	Secured	AA

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

5.4 Commercial paper - at fair value through profit or loss

Debt Sub-Fund

Particulars	Profit rate	Issue date	Maturity date	Carrying value	Market value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
				----- (Rupees in '000) -----		----- % -----	----- % -----
K Electric Limited II	14.64%	26-Feb-20	26-Aug-20	38,210,647	38,747,057	6.48%	10.47%
K Electric Limited	13.64%	10-Mar-20	10-Sep-20	40,233,509	40,564,279	6.83%	10.96%
Total As at March 31, 2020 (Un-audited)				78,444,156	79,311,336		
Total as at June 30, 2019 (Audited)				40,000,000	39,234,413		

Money Market Sub-Fund

Particulars	Profit rate	Issue date	Maturity date	Carrying value	Market value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
				----- (Rupees in '000) -----		----- % -----	----- % -----
K Electric Limited II	14.64%	26-Feb-20	26-Aug-20	19,571,307	19,846,057	4.16%	6.85%
K Electric Limited	13.64%	10-Mar-20	10-Sep-20	20,584,586	20,753,810	4.38%	7.20%
Total As at March 31, 2020 (Un-audited)				40,155,893	40,599,867		
Total as at June 30, 2019 (Audited)				10,000,000	9,808,628		

5.5 Term Deposit Receipts - at fair value through profit or loss

Money Market Sub-Fund

Name of the investee company	Maturity	Rating	Rate of return per annum	Face value			Face value as percentage of net assets	Face value as percentage of total investment
				As at July 01, 2019	Purchased during the year	Matured during the year		
				----- (Rupees) -----			----- % -----	----- % -----
Soneri Bank Limited	1-Aug-19	AA-/A1+	13.20%	49,000,000	-	49,000,000	0.00%	0.00%
JS Bank Limited	1-Aug-19	AA-/A1+	13.95%	60,000,000	-	60,000,000	0.00%	0.00%
Total As at March 31, 2020 (Un-audited)				109,000,000	-	109,000,000		
Total as at June 30, 2019 (Audited)				-	109,000,000	-		

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

6. ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	March 31, 2020 (Un-audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees)			
Provision for Sindh Workers' Welfare Fund	6.1	3,766,624	3,634,133	1,510,587	8,911,344
Provision for Federal Excise Duty on remuneration of Pension Fund Manager	6.2	2,420,238	2,404,933	1,151,294	5,976,465
Brokerage payable		807,622	69,897	12,583	890,102
Withholding tax payable		181,445	215,820	89,378	486,643
Auditors' remuneration		95,893	87,500	62,876	246,269
Payable against redemption of units		-	-	22,098	22,098
Others		-	60,650	-	60,650
		7,271,822	6,472,933	2,848,816	16,593,571

		June 30, 2019 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees)			
Provision for Sindh Workers' Welfare Fund		3,766,624	2,238,776	681,893	6,687,293
Provision for Federal Excise Duty on remuneration of Pension Fund Manager		2,420,238	2,404,933	1,151,294	5,976,465
Brokerage payable		119,050	20,101	685	139,836
Withholding tax payable		189,353	122,528	25,974	337,855
Auditors' remuneration		148,251	85,713	36,036	270,000
Payable against redemption of units		-	-	22,098	22,098
Others		-	20,650	-	20,650
		6,643,516	4,892,701	1,917,980	13,454,197

6.1 Provision for Sindh Workers' Welfare Fund

There is no change in the status of the SWWF as reported in note 12.1 to the annual financial statements of the Fund for the year ended June 30, 2019. Had the provision not been made, the net assets value per unit of the Fund would have been higher by Rs.2.58 per unit in respect of Equity Sub-Fund, Rs. 1.10 per unit in respect of Debt Sub-Fund and Re. 0.38 per unit in respect of Money Market Sub-Fund as at March 31, 2020 (June 30, 2019: Rs.2.26 per unit in respect of Equity Sub-Fund, Re.0.83 per unit in respect of Debt Sub-Fund and Re.0.36 per unit in respect of Money Market Sub-Fund).

6.2 Provision for Federal Excise Duty on remuneration of Pension Fund Manager

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty, as reported in note 12.2 to the annual financial statements. Had the provision not been made, the net assets value per unit of the Fund would have been higher by Rs.1.66 (June 30, 2019: Rs.1.45) per unit in respect of Equity Sub-Fund, Rs.1.19 (June 30, 2019: Rs.1.19) per unit in respect of Debt Sub-Fund, Re.0.63 (June 30, 2019: Re.0.86) per unit in respect of Money Market Sub-Fund March 31, 2020.

7. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2020 (June 30, 2019: Nil).

8. TAXATION

The income of Pakistan Pension Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further through Finance Act, 2011, effective from July 01, 2011, pension funds are included in the list of entities on which the provisions of section 113 regarding minimum tax shall not apply.

9. CONTRIBUTION TABLE

	March 31, 2020 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)
Issuance of units	302,693	135,898,780	807,545	217,782,986	847,168	208,972,877	1,957,406	562,654,643
Redemption of units	(510,446)	(229,149,550)	(800,222)	(215,762,259)	(369,208)	(91,233,793)	(1,679,876)	(536,145,602)

	March 31, 2019 (Un-audited)							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)	Units	(Rupees)
Issuance of units	414,252	205,441,267	409,091	88,802,087	544,254	117,923,094	1,367,597	412,166,448
Redemption of units	(217,101)	(106,297,410)	(862,789)	(200,682,393)	(469,806)	(99,255,300)	(1,549,696)	(406,235,103)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

10. NUMBER OF UNITS IN ISSUE

Total units outstanding at beginning of the period
Units issued during the period
Units redeemed during the period
Total units in issue at end of the period

March 31, 2020 (Un-audited)		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
----- (Number of units) -----		
1,668,870	2,022,000	1,339,095
302,693	807,545	847,168
(510,446)	(800,222)	(369,208)
<u>1,461,117</u>	<u>2,029,323</u>	<u>1,817,055</u>

Total units outstanding at the beginning of the year
Units issued during the year
Units redeemed during the year
Total units in issue at the end of the year

June 30, 2019 (Audited)		
----- (Number of units) -----		
1,449,822	2,463,260	1,092,414
551,523	702,778	921,121
(332,475)	(1,144,038)	(674,440)
<u>1,668,870</u>	<u>2,022,000</u>	<u>1,339,095</u>

11. EARNINGS / (LOSSES) PER UNIT

Earnings / (losses) per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company the determination of the same is not practicable.

12. CASH AND CASH EQUIVALENTS

Balances with banks - savings accounts
Treasury Bill maturing within 3 months
Term deposit receipts
Commercial papers

Note

March 31, 2020 (Un-audited)					June 30, 2019 (Audited)
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total		
----- (Rupees) -----					
16,885,470	186,775,324	186,676,059	390,336,853		618,875,272
5.2	-	-	245,240,000	245,240,000	251,170,580
5.5	-	-	-	-	109,000,000
5.4	-	-	-	-	49,043,041
<u>16,885,470</u>	<u>186,775,324</u>	<u>431,916,059</u>	<u>635,576,853</u>		<u>1,028,088,893</u>

13. TRANSACTIONS WITH CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.

Details of transactions and balances at period end with related parties / connected persons, other than those which have been disclosed elsewhere in these interim financial statements, are as follows:

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

13.1 Transactions during the period

	Nine Months ended March 31, 2020 (Un-audited)				Nine Months ended March 31, 2019 (Un-audited)
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	(Rupees)				
MCB Arif Habib Savings and Investments Limited - Pension Fund Manager					
Remuneration (including indirect taxes)	9,027,972	6,997,862	5,044,785	21,070,619	19,916,169
Central Depository Company of Pakistan Limited - Trustee					
Remuneration (include indirect taxes)	782,882	607,832	437,919	1,828,633	1,751,981
Settlement charges	41,956	4,520	4,520	50,996	52,793
Group / Associated companies					
MCB Bank Limited					
Mark-up earned	649,444	851,126	1,485,756	2,986,326	54,913
Bank charges	3,891	4,338	433	8,662	4,882
MCB Islamic Bank Limited					
Mark-up earned	-	291	-	291	-
Arif Habib Limited - Brokerage House					
Brokerage expense*	103,738	1,350	325	105,413	113,746
Next Capital Limited - Brokerage House					
Brokerage expense*	6,557	-	-	6,557	51,039

13.2 Balances outstanding at period end:

	March 31, 2020 (Un-audited)				June 30, 2019 (Audited)
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
	(Rupees)				
MCB Arif Habib Savings and Investments Limited - Pension Fund Manager					
Remuneration payable	797,758	736,254	584,958	2,118,970	1,917,078
Sindh sales tax payable on remuneration	103,709	95,713	76,044	275,466	249,219
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable	69,056	63,831	50,712	183,599	169,308
Sindh sales tax payable on remuneration	8,979	8,298	6,596	23,873	22,136
Security deposit	200,000	200,000	200,000	600,000	600,000
Group / Associated companies					
MCB Bank Limited					
Bank Balance	627,249	824,940	859,005	2,311,194	311,449
Profit Receivable	34	-	-	34	34
Silk Bank**					
Bank balance	-	-	-	-	100,028,054
Profit receivable	-	-	-	-	196,386
MCB Islamic Bank Limited					
Bank Balance	-	6,319	-	6,319	7,552
Arif Habib Limited - Brokerage House					
Brokerage payable*	55,358	-	-	55,358	28,481

* The amount disclosed represents the amount of brokerage paid / payable to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter-parties are not connected persons.

** These are not connected person during the period & disclosed for comparative purpose only.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

13.3 Unit Holders' Fund

For the Nine months ended March 31, 2020 (Un-audited)

	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020	As at July 01, 2019	Issued for cash	Redeemed	As at March 31, 2020
	(Units)		(Rupees)		(Rupees)		(Rupees)	

MCB Arif Habib Savings and

Investments Limited -

Pension Fund Manager *

- Pakistan Pension Fund - Equity	252,196	-	-	252,196	109,024,331	-	-	92,588,717
- Pakistan Pension Fund - Debt	253,109	-	-	253,109	65,157,850	-	-	73,505,385
- Pakistan Pension Fund - Money Market	300,000	-	-	300,000	71,022,000	-	-	77,640,000

Key management personnel

- Pakistan Pension Fund - Equity	4,358	5,047	5,418	3,987	1,883,963	2,302,988	1,455,996	1,463,747
- Pakistan Pension Fund - Debt	664	3,123	666	3,121	170,934	946,390	81,013	906,370
- Pakistan Pension Fund - Money Market	45	834	13	866	237	228,469	12,411	224,121

For the Nine months ended March 31, 2019 (Un-audited)

	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019	As at July 01, 2018	Issued for cash	Redeemed	As at March 31, 2019
	(Units)		(Rupees)		(Rupees)		(Rupees)	

MCB Arif Habib Savings and

Investments Limited -

Pension Fund Manager

- Pakistan Pension Fund - Equity	252,196	-	-	252,196	129,086,523	-	-	122,484,031
- Pakistan Pension Fund - Debt	253,109	-	-	253,109	60,662,634	-	-	63,892,305
- Pakistan Pension Fund - Money Market	300,000	-	-	300,000	65,826,000	-	-	69,405,000

Key management personnel

- Pakistan Pension Fund - Equity	14,449	4,470	11,706	7,213	7,183,815	2,110,600	5,369,563	3,503,138
- Pakistan Pension Fund - Debt	3,950	1,203	2,996	2,157	772,456	703,801	742,355	544,492
- Pakistan Pension Fund - Money Market	199	105	281	23	45	23,586	63,675	5,321

* The unit holder also holds 10% or more of the units in the Plan.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at March 31, 2020 and June 30, 2019, the Fund held the following instruments measured at fair values:

	Note	Level 1	Level 2	Level 3	Total
		----- (Rupees) -----			
March 31, 2020 (Un-audited)					
Equity Sub-Fund					
Listed equity securities		518,382,047	-	-	518,382,047
Debt Sub-Fund					
Government Securities -					
Pakistan Investment Bonds	5.2	-	5,439,617	-	5,439,617
Government Securities - Treasury Bills	5.2	-	195,128,750	-	195,128,750
Term Finance Certificates / Sukuks	5.3	-	90,329,548	-	90,329,548
Commercal paper	5.4		79,311,336		79,311,336
Money Market Sub-Fund					
Government Securities - Treasury Bills	5.2	-	245,240,000	-	245,240,000
Commercal paper	5.4		40,599,867		40,599,867
		518,382,047	656,049,119	-	1,174,431,165
June 30, 2019 (Audited)					
Equity Sub-Fund					
Listed equity securities		670,488,179	-	-	670,488,179
Debt Sub-Fund					
Government Securities -					
Pakistan Investment Bonds		-	4,885,243	-	4,885,243
Government Securities - Treasury Bills		-	221,624,100	-	221,624,100
Term Finance Certificates / Sukuks		-	98,655,613	-	98,655,613
Commercial paper		-	-	39,234,413	39,234,413
Money Market Sub-Fund					
Government Securities - Treasury bills		-	29,546,480	-	29,546,480
Commercial paper		-	-	9,808,628	9,808,628
Term deposit receipt		-	-	109,000,000	109,000,000
		670,488,179	354,711,436	158,043,041	1,183,242,656

During the period ended March 31, 2020, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2020

14.1 Valuation techniques used in determination of fair values within level 2

14.1.1 Fair values of Pakistan Investment Bonds and Market Treasury Bills are derived using PKRV rates (Reuters page).

14.1.2 Investments in Term Finance Certificates and Sukuks issued by a company or a body corporate for the purpose of raising funds in the form of redeemable capital, are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange

Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan.

14.2 The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

15. GENERAL

15.1 Figures have been rounded off to the nearest thousand rupee unless otherwise stated.

15.2 Certain prior year's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are material re-arrangements / re-classifications to report.

16. DATE OF AUTHORISATION FOR ISSUE

These interim financial statements were authorised for issue on 20 April, 2020 by the Board of Directors of the Pension Fund Manager.

MCB-Arif Habib Savings and Investments Limited
(Pension Fund Manager)



Chief Executive Officer



Director

MCB-Arif Habib Savings and Investments Limited

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